

HOUSE BILL 632

By Overbey

AN ACT to amend Tennessee Code Annotated, Title 8,  
Chapter 17, relative to ethical standards for water,  
wastewater and gas authorities created by a  
private act and for utility districts.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-17-102(a)(2), is amended by  
deleting the following language:

. Also, likewise, for purpose of this chapter, utility districts shall be considered a county  
department and its employees shall be considered county employees

SECTION 2. Tennessee Code Annotated, Section 8-17-102(c), is amended by deleting  
the subsection in its entirety and by substituting instead the following:

(c) Utility districts shall be considered separate governmental entities and shall  
be governed by ethical standards established by the board of commissioners of the  
utility district. Water, wastewater and gas authorities, created by private act, shall be  
considered separate governmental entities and shall be governed by ethical standards  
established by the governing board of the water, wastewater or gas authority.

SECTION 3. Tennessee Code Annotated, Section 8-17-105, is amended by designating  
the existing language as subsection "(a)" and by adding the following new language, to be  
designated as subsection (b):

(b) In order to provide guidance and direction to water, wastewater and  
gas authorities, created by private act, and to utility districts, the Tennessee  
Association of Utility Districts (TAUD) may disseminate a model of ethical  
standards for officials and employees of such authorities and utility districts. Any  
such model shall be filed with the commission. Any such authority or utility  
district that adopts the model of ethical standards is not required to file such

policy with the commission but shall notify the commission, in writing, that the model policy promulgated by TAUD was adopted and the date such action was taken.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.